

EXHIBIT DD

1 UNITED STATES DISTRICT COURT
2 EASTERN DISTRICT OF PENNSYLVANIA
3

4 IN RE: PROCESSED EGG PRODUCTS MDL NO. 2002
5 ANTITRUST LITIGATION 08-md-02002
6 -----

7 THIS DOCUMENT RELATES TO:
8 ALL ACTIONS
9

10
11 ** HIGHLY CONFIDENTIAL **
12

13 VIDEOTAPED DEPOSITION OF JEFF HARDIN
14

15 Taken at Young, Wells Williams,
16 4450 Old Canton Road, Suite 200,
17 Jackson, Mississippi, on Friday,
18 April 18, 2014, beginning at 9:16 a.m.
19

20 REPORTED BY:

21 CELESTE O. WERKHEISER, RMR
22
23
24
25

1 but I'm talking with these folks all the time
2 about this stuff.

3 MR. ROBISON:

4 Q. All right. Now, you were asked about
5 false statements, whether somebody from H-E-B
6 had ever made a false statement to you. And I
7 want to go back to the allegations that the
8 grocery store plaintiffs have made in these
9 lawsuits since 2010.

10 A. Okay.

11 Q. All right. Now, you explained to one
12 of the other lawyers that you have read through
13 these allegations, and you understood that the
14 grocery store plaintiffs were challenging the
15 UEP certified program. Do you remember that?

16 A. Yes.

17 Q. All right. Now, think about, on the
18 one hand, the conversations with H-E-B business
19 people about animal welfare demands and the
20 certified program, and then think about the
21 attacks on that same program you read about in
22 the lawsuits.

23 Can you think of a way that both of
24 those things can be true, that H-E-B wants the
25 program and that they're calling it illegal?

1 MR. AHERN:

2 Object to form.

3 MR. ALMON:

4 Object to form.

5 A. I don't understand any of the --
6 it's, again, shocking to me. I promise you
7 fellows, it's shocking to me. I mean, this
8 whole thing -- we talk about this stuff
9 constantly. They demand -- it's on their egg
10 cartons. They drew the artwork. They provide
11 all the detail. They do the audits.

12 I got a Safeway request on my phone
13 right now to get another farm audited. I mean,
14 it literally came this morning. And -- I don't
15 know. None of it makes any sense to me.

16 MR. AHERN:

17 Move to strike as non-responsive.

18 A. Sorry.

19 MR. ROBISON:

20 Don't worry. It wasn't
21 non-responsive.

22 Q. So can you explain to a jury how the
23 H-E-B egg buyers can be demanding a program that
24 their lawyers say is illegal?

25 MR. ALMON:

1 Object to form.

2 MR. AHERN:

3 Object to the form.

4 A. No, I can't explain.

5 MR. ROBISON:

6 Q. All right. Now, after the lawsuits
7 were filed in 2010, did the H-E-B egg buyers
8 suddenly reverse course and stop demanding
9 certified eggs?

10 MR. AHERN:

11 Object to form.

12 A. I haven't had anybody from any
13 company ask me to get out of the -- get away
14 from the animal welfare program.

15 MR. ROBISON:

16 Q. Is H-E-B still asking for copies of
17 the audit showing that Cal-Maine is UEP
18 certified?

19 A. I can't tell you about H-E-B
20 specifically, when the last time they requested
21 a copy of the audit, but we routinely send them
22 to our customers, and we routinely get requests
23 for last year's certification.

24 Q. After the lawsuits started being
25 filed in --

1 A. Oh, absolutely.

2 Q. Okay.

3 A. Absolutely.

4 Q. After the lawsuits started being
5 filed in 2010, has H-E-B continued to demand
6 certified eggs?

7 A. Yes. I mean, they did an artwork
8 change since then and put it right on the egg
9 carton again.

10 Q. So today, if you went into an H-E-B
11 grocery store and looked at an egg carton, it
12 would have the UEP certified logo?

13 A. Yes, sir.

14 Q. Let's shift to Safeway. You were
15 asked similar questions about Safeway.

16 A. Yes, sir.

17 Q. Now, even if you can't remember a
18 specific date or time on the calendar, is there
19 any doubt in your mind that you have talked to
20 Safeway representatives several times from the
21 2002 time frame to the present about the UEP
22 certified program and animal welfare issues?

23 MR. ALMON:

24 Object to form.

25 A. Brian, I wasn't as close to the

1 Safeway people as I was to some of the other
2 folks because they were West Coast, and they
3 were going through a buyer change at the time.

4 They -- Dominick's -- they had bought
5 a chain in Chicago called Dominick's. And I
6 went to see the buyer, who had kind of inherited
7 the Safeway egg program at the time, in Chicago.
8 And I can't remember his name. But it was
9 required.

10 It wasn't like I was talking to him
11 every minute about it, like some other
12 customers, because they were in transition at
13 the time all this was going on, but it was
14 required.

15 MR. ROBISON:

16 Q. By Safeway?

17 A. By Safeway, yes.

18 Q. In what time frame?

19 A. This would have been 2002, 2001 --
20 right through there, 2003.

21 Q. Up through today?

22 A. Absolutely. It's in their specs.

23 Q. Same sort of question about the
24 Safeway lawyers' attacks on the certified
25 program. Can you reconcile for the jury and

1 explain how it can both be true that Safeway is
2 demanding the UEP certified program outside the
3 courtroom, and yet inside the courtroom
4 challenges it as illegal?

5 MR. ALMON:

6 Object to form.

7 A. No, sir, I can't reconcile.

8 MR. ROBISON:

9 Q. And did you say -- what was it you
10 said about you had a voicemail from Safeway
11 today on your phone?

12 MR. ALMON:

13 Object to form.

14 A. I got an e-mail right now -- I'm
15 sorry.

16 MR. ALMON:

17 It's okay.

18 A. In fact, I got an e-mail now wanting
19 to get another farm certified for potential
20 supply to Safeway Houston.

21 MR. ROBISON:

22 Q. Now, who is it that Safeway wants to
23 do the audit, according to this e-mail?

24 A. Well, according to this e-mail, it
25 just says, hey, we need to get this farm

1 audited. They wanted potentially some
2 Proposition 2 eggs, and they wanted to get it
3 audited for potentially Houston, the Houston
4 distribution center. And so that meant a
5 Safeway QA audit and an animal welfare audit.

6 Q. So one of the audits would be Safeway
7 going on site to audit --

8 A. Sure, absolutely. That came last
9 night.

10 Q. Same questions about Albertsons.

11 A. Okay.

12 Q. Even if you can't pinpoint a specific
13 date on the calendar, is there any doubt in your
14 mind you talked to Gary Stall or somebody --

15 A. Gary Angell.

16 Q. -- sorry, Gary Angell or somebody
17 else from Albertsons in the 2002 time frame on
18 forward about the UEP certified program and
19 animal welfare --

20 A. There was never a question --

21 MR. ALMON:

22 Object to form.

23 A. Sorry. There was never a question
24 about whether they wanted it. I had some
25 problems at Albertsons about getting paid for

1 it. And I had some arguments with Gary in
2 e-mail form and verbally.

3 I mean, Gary and I were pretty close.
4 I thought we were, anyway. But we were pretty
5 close. So, I mean, it was coming, and they
6 said -- but he kept arguing with me -- I
7 remember specifically Gary saying, "but I ain't
8 paying for it." And so we had some pretty
9 tenuous arguments about that.

10 MR. ROBISON:

11 Q. After the lawsuits starting getting
12 filed in 2010, did anybody from Albertsons
13 change course and stop demanding certified eggs?

14 A. Again, I haven't had one customer ask
15 me to get off the ACC/FMI/UEP program.

16 Q. And that would include Albertsons?

17 A. No. We did not.

18 Q. Is Albertsons still requiring you to
19 give copies of the audits showing that Cal-Maine
20 is UEP certified?

21 A. I can't specifically say if they've
22 asked specifically for the last audit, but the
23 last set of specs and the last business I won
24 with them, it was required.

25 Q. After the lawsuits started being

1 filed in 2010, has anybody from Albertsons asked
2 for non-certified eggs?

3 A. No.

4 Q. And same question about Albertsons'
5 egg buyers and its lawyers. Is there any way
6 you can reconcile for the jury how the egg
7 buyers' demands for certified eggs outside the
8 courtroom could be true at the same time their
9 lawyers' attacks on the certified program as
10 illegal could be true?

11 MR. ALMON:

12 Object to form.

13 A. I can't reconcile it. I don't
14 understand it.

15 VIDEOGRAPHER:

16 Eight minutes.

17 MR. ROBISON:

18 Q. Moving to Kroger, Gary Stall is one
19 of the people you said you had met with --

20 A. Uh-huh.

21 Q. -- to discuss the certified program
22 and animal welfare issues. Even if you can't
23 pinpoint a specific date, is there any doubt in
24 your mind you and Gary Stall had conversations
25 about the UEP certified program and animal

1 welfare issues?

2 MR. ALMON:

3 Object to form.

4 A. There's no question.

5 MR. ROBISON:

6 Q. Any question in your mind that Kroger
7 demanded certified eggs in the 2002, 2003 time?

8 A. No question in my mind.

9 Q. Has Kroger ever wavered in those
10 demands?

11 A. Not to my knowledge. I went through
12 a time frame where I wasn't directly responsible
13 for it, but I am today, and no one's ever
14 wavered from it to my knowledge.

15 Q. So Kroger today --

16 A. Today requires it.

17 Q. And is Kroger another one of the
18 customers that demands compliance with the
19 certified program?

20 A. Brian, I cannot remember their spec,
21 but it's common knowledge. I just don't
22 remember it specifically in the specification,
23 but it's common knowledge that Safeway, Kroger,
24 Albertsons, Walmart, H-E-B, Publix, all of them
25 require the certified program.

1 Q. Still to this day?

2 A. Till this day, yes.

3 Q. And has anybody from Kroger reversed
4 course after 2010 and started demanding
5 non-certified eggs?

6 A. No.

7 Q. And, again, can you explain to the
8 jury how the Kroger demands for the UEP
9 certified program can be reconciled as true if
10 the lawyers' attacks on that same program are
11 true?

12 MR. ALMON:

13 Object to form.

14 A. No.

15 MR. ROBISON:

16 Q. On Walgreens, is it your
17 understanding that Walgreens still demands that
18 the certified -- UEP certified logo be on egg
19 cartons that are in its stores?

20 A. Walgreens designs their own cartons,
21 and it's on there.

22 Q. To this day?

23 A. To this day.

24 Q. Has there been any change in that
25 design since 2010 when these lawsuits were

1 filed?

2 A. I don't know that Walgreen had their
3 own carton during this time frame. I'm not sure
4 that Walgreen even had an egg carton -- it's
5 called Nice. And I'm not even sure that they
6 came out with that until 2011 or '12.

7 I mean, they had just bought house
8 brand, store brand -- I mean, distributor
9 brands, my brands. I'm not even sure that
10 Walgreen had an egg program until '10.

11 Q. So it's your recollection that before
12 2010, Walgreens had other brands of eggs in its
13 stores with the certified logo on it?

14 MR. ALMON:

15 Object to form.

16 A. Yes.

17 MR. ROBISON:

18 Q. And then after 2010, Walgreens came
19 out with its own brand; is that what you're
20 saying?

21 A. Yeah. And I'm not sure of the exact
22 dates. I'm not sure of the exact dates. But I
23 didn't go -- there was never a Walgreen egg
24 program. There just never was one. They
25 would -- to my knowledge.

1 We've supplied Walgreens with eggs
2 through McLane. Y'all had asked about McLane
3 earlier. So through McLane, Walgreens got eggs,
4 or through Nash Finch, Walgreens got eggs, but
5 there never was a Nice egg.

6 And when there finally became a Nice
7 egg, Walgreen went out with a bid to bid the
8 Nice egg business, and it required UEP
9 certification.

10 Q. Even after 2010 when the lawsuits
11 were filed?

12 A. I don't think any of it happened
13 before 2010. I think all of this was post
14 lawsuit.

15 Q. So Walgreens comes out with the Nice
16 label for eggs in its stores after 2010, and it
17 required the UEP certified logo to be on those
18 cartons?

19 A. Yes, sir.

20 MR. ALMON:

21 Object to form.

22 MR. ROBISON:

23 Q. Has this changed at all up to
24 today --

25 A. No, sir.

1 Q. -- as you sit here?

2 A. No, sir. We just bid it two weeks
3 ago, and it required it. There was a bid two
4 weeks ago on the Nice -- for the Walgreen eggs,
5 and it went cheap.

6 Q. Can you explain for the jury why it
7 is that Walgreens would be demanding certified
8 eggs and putting the UEP certified logo on its
9 cartons at the same time its lawyers are
10 attacking the UEP certified program as illegal?

11 MR. ALMON:

12 Object to form.

13 A. No, sir. I'm sorry. No, I can't.

14 We just bid it two weeks ago. It's
15 still on the -- it's still on the damn website.
16 Sorry.

17 MR. ROBISON:

18 Q. Explain what --

19 A. I apologize. Makes me mad.

20 Q. Explain what you mean. You bid what
21 two weeks ago?

22 A. The Walgreen egg business. All the
23 Walgreen business nationally went out for bid.
24 And as a part of that speculation, it required
25 certified eggs. That was just -- it was either

1 two weeks ago today or three weeks ago today.

2 VIDEOGRAPHER:

3 Four minutes.

4 MR. ROBISON:

5 Let's change the tape.

6 VIDEOGRAPHER:

7 This is the end of tape number three
8 in the video deposition of Jeff Hardin. We are
9 now going off the record. The time is 3:35 p.m.

10 (A recess was taken.)

11 VIDEOGRAPHER:

12 This is the beginning of tape number
13 four in the video deposition of Jeff Hardin. We
14 are now going back on the record. The time is
15 3:41 p.m.

16 MR. ROBISON:

17 Q. Mr. Hardin, I'm handing you
18 Exhibit 52 to your deposition. We marked that
19 earlier today. And what is that again?

20 A. This is one of those legal documents
21 from Albertsons.

22 Q. And what's the date on the front?
23 Dated as of 13th day of November, 2003; is that
24 right?

25 A. 2003, yes, sir.

1 Q. All right. And if you look at the
2 bottom of page 1, there's a paragraph number 4,
3 "Pricing Terms"?

4 A. Yes, sir.

5 Q. And the first sentence says: "Prices
6 shall be determined as provided on Exhibit "A"
7 attached hereto and incorporated herein."

8 A. Yes, sir.

9 Q. You see that?

10 A. Yes, sir.

11 Q. Now, if you flip to Exhibit A -- you
12 see Exhibit A on there?

13 A. Yes, sir.

14 Q. The last line of Exhibit A says:
15 "Supplier's ACC #," and then somebody wrote in
16 "103." Do you see that?

17 A. Yes, sir.

18 Q. What is that?

19 A. That's Cal-Maine's ACC number.

20 Q. What's an ACC number?

21 A. That's Animal Care Certified number.

22 Q. And was that the name of the UEP --

23 A. That was what the FMI program was
24 called back then, the ACC program.

25 Q. And this was part of the contract

1 with Albertsons?

2 A. Yeah. They -- obviously, they had a
3 number 4, "Pricing Terms," as an amendment
4 because this -- or as an attachment, because
5 they used this, I'm sure, with all of their egg
6 producers -- egg suppliers, so that everybody
7 probably had a sheet like this on the back.

8 Q. And that sheet set forth terms of the
9 contract?

10 A. Set forth the basis numbers, right.

11 Q. Pricing?

12 A. Set forth the pricing, the cartons,
13 and the ACC number.

14 Q. And was Cal-Maine being ACC certified
15 a requirement for Albertsons under this
16 contract?

17 A. Yes, sir.

18 Q. And has that ever changed to this
19 day --

20 A. No, sir.

21 Q. -- for dealing with Albertsons?

22 A. No, sir.

23 Q. Now, Mr. Hardin, let's get
24 Exhibit 54. You were shown that earlier today.
25 This is a Safeway contract.

1 A. Yes, sir.

2 Q. And if you go to the -- page 6. The
3 page number is kind of here in the middle of the
4 page.

5 A. Okay.

6 Q. Right above the number 6, there's a
7 Section 2.10. Do you see that?

8 A. Yes, sir.

9 Q. "Records and Audits"?

10 A. Yes, sir.

11 Q. And would you read, just to
12 yourself -- you don't have to read it out
13 loud -- just read to yourself the subparagraphs
14 under "2.10 Records and Audits," and let me know
15 when you're finished.

16 A. Okay.

17 Q. Now, what is this section "Records
18 and Audits" saying, just in your layman's terms?

19 A. It's just saying we've got to have
20 all of our audits available to them. We got to
21 retain them for three years. We've got to be
22 able to show supporting information concerning
23 an invoice. We've got to permit the Safeway
24 folks on site to conduct their own audits and
25 check our records and personal data.

1 Q. And in your experience, have Safeway
2 people taken advantage of these provisions and
3 come on site to audit locations?

4 A. I got an e-mail last night wanting to
5 do some more. We just had some audits in the
6 last eight months or so.

7 Q. Where Safeway people physically come
8 on to --

9 A. Safeway people physically came to our
10 Searcy operation and our Waelder operations to
11 do audits around conventional eggs, and then the
12 HFAC audits around our cage free facility and
13 our organic facility in Chase, Kansas.

14 Q. And this contract is -- flipping to
15 page 4 of the contract --

16 A. Yes, sir.

17 Q. -- you see it's dated at the top as
18 of March 22, 2009?

19 A. Yes.

20 Q. And then --

21 A. Is this the one where I had gave them
22 \$100,000 lump sum?

23 Q. We'll get to that in a second. Yeah.

24 Now, in future dealings with Safeway,
25 have there been similar audit provisions

1 allowing Safeway employees to come on site and
2 audit a Cal-Maine location?

3 A. In future ones?

4 Q. Yeah, after this 2009 agreement.

5 A. I just wrapped up negotiations with
6 Safeway this week.

7 Q. All right. Tell the jury about your
8 Safeway negotiations this week. What are you
9 talking about?

10 A. Well, they had put their egg business
11 out for bid. So we have been working on it, I
12 don't know how long now, but probably starting
13 in early February.

14 Q. Of what year?

15 A. Of this year. Up until Tuesday, we
16 got notification that we had retained the
17 conventional business under UEP guidelines. We
18 had retained it. It cost me about a cent and a
19 half or two cents a dozen to keep it, but we
20 just got notice this week.

21 Q. So February of 2014 up through
22 mid-April --

23 A. I can't remember --

24 Q. -- of 2014 --

25 A. We've been negotiating it.

1 Q. And during that time, did any Safeway
2 representative ever say that Safeway wanted to
3 shift and start buying non-certified eggs?

4 A. No, sir.

5 Q. Did anyone from Safeway ever say it
6 no longer wanted Cal-Maine to be in compliance
7 with the UEP certified program?

8 A. Said that they did not want us to be?
9 No. Quite to the contrary, they -- a couple of
10 years ago, they made us go to this Humane Farm
11 Animal Care on the audits page here. What page
12 is this, 6?

13 So page 7, for our cage free and
14 organic, that's the most stringent standard in
15 the industry.

16 Q. And you're talking about HFAC on page
17 7?

18 A. Humane Farm Animal Care, right.

19 And this lady that runs this
20 certification body actually sat on the FMI
21 scientific advisory committee. And so she
22 developed her own program outside the scientific
23 committee, and Safeway requires compliance with
24 that program.

25 Q. So for table eggs, Safeway requires

1 Cal-Maine to follow the UEP certified program?

2 A. Yes.

3 Q. And for cage free eggs, Safeway
4 requires the --

5 A. HFAC.

6 Q. -- Cal-Maine to require HFAC
7 guidelines?

8 A. Right.

9 Q. To this day?

10 A. To this day, yes, sir.

11 Q. Now, let's shift to Exhibit B on this
12 same Safeway contract.

13 A. D.?

14 Q. B., as in boy. Page 22.

15 A. Okay.

16 Q. And this is still part of this
17 Safeway contract. You see a paragraph for
18 "Quality Requirements"? The first paragraph?
19 The next page. Page 22, Exhibit B.

20 A. Yes, sir.

21 Q. I'm just going to read that into the
22 record. "Quality Requirements: USDA Inspector
23 to be on-site at Cal-Maine Food, Inc.
24 facilities. USDA presence at facility at a
25 minimum of two to three days per week. Weekly

1 USDA inspection is mandatory on all eggs. Must
2 comply with UEP's Animal Husbandry Guidelines.
3 Suppliers must be Humane Farm Animal Care
4 certified for cage free eggs within six months
5 of business award."

6 Did I read that right?

7 A. Yes.

8 Q. And that was a requirement under this
9 2009 contract with Safeway?

10 A. Well, it was clear. Everything was
11 in the open on this whole thing. I didn't want
12 to do the HFAC program. It was a pain in the
13 neck. And the reason they gave us six months is
14 because I was pushing back on the thing. But
15 they said, okay, we'll give you six more months,
16 but you got to get it. And so we did.

17 But they required -- you know, I've
18 been talking to these people for years. There
19 ain't no secrets about any of this stuff. They
20 required all of it, and to the Nth degree.

21 Q. And still to this day require both?

22 A. Still to this day, yes.

23 Q. Now, next down is "Emergency
24 Requirements." Do you see that?

25 A. Yes, sir.

1 Q. That says: "Safeway must approve
2 Cal-Maine's Disaster Preparedness Plan." Do you
3 see that?

4 A. Yes, sir.

5 Q. Have you provided a Disaster
6 Preparedness Plan to Safeway?

7 A. You know, I'm -- Brian, I can't
8 remember specifically, but we provide Safeway
9 and a bunch of customers all this kind of stuff
10 all the time. We're one of -- I say one of the
11 few, I can't say that. We have got an emergency
12 preparedness plan in case of hurricanes, in case
13 of tornadoes, depending on what part of the
14 country -- you know, obviously, you don't have a
15 hurricane prevention plan in Kansas.

16 But you've got tornado, you've got
17 fire, you've got hurricane. You've got a crisis
18 management team in place to help ourselves and
19 our customers deal with emergency situations,
20 from public relations all the way to the place
21 burning to the ground, so -- and all of that's
22 required these days.

23 Q. And you're willing to share that with
24 the customer?

25 A. Well, they get it all the time. They

1 constantly ask for it, just to update their --
2 keep their files up to date.

3 Q. Now, I want to ask about -- we can
4 put these contracts away for now.

5 I want to ask about an incident
6 involving another egg producer. You've heard of
7 Sparboe Farms?

8 A. Yes, sir.

9 Q. Do you remember an incident in late
10 2012 involving Sparboe Farms and one of these
11 undercover videos?

12 A. Yes, sir.

13 Q. Would you explain to the jury what
14 you remember happened?

15 A. Well, I don't remember the specific
16 incident at the moment it happened, but I
17 remember my phone ringing.

18 Sparboe had had an animal welfare
19 cruel -- or animal cruelty tape, similar to what
20 happened to Cal-Maine, that hit the wire. And
21 it was -- as I recall it -- I'm doing all this
22 from memory, but as I recall it, that was on a
23 Friday afternoon, about the same time that it
24 hit Cal-Maine on a Friday afternoon, at, like,
25 5:00, okay? So it hit the news.

1 (Exhibit 70 marked.)

2 Q. And this document is marked "Highly
3 Confidential," but that's hard to see on these
4 copies.

5 MR. ROBISON:

6 For people on the phone, the Bates
7 number is CM00725386-400.

8 Q. And, Mr. Hardin, I want to ask you
9 about -- well, the page numbers, for some
10 reason, didn't print. Can you find a page that
11 has 754 in parentheses up at the top.

12 A. Okay.

13 Q. And then a paragraph near the bottom
14 starting "Mr. Adams"?

15 A. Okay.

16 Q. Then next paragraph down starts with
17 a Michigan State reference.

18 A. Okay.

19 Q. See that?

20 A. Uh-huh.

21 Q. I'm just going to start there.

22 "Dr. Allan Rahn," R-a-h-n, "from Michigan State
23 University put together a report stating that
24 over the next three to five years, a company
25 starting its animal welfare program with 48

1 inches of cage space per bird, will have a 3 to
2 5 cents per dozen loss of efficiency, labor,
3 etc. Cal-Maine is making a strong effort to
4 cover that expense by price adjustments as it
5 implements its program.

6 "Mr. Baker told the directors that
7 Cal-Maine has begun approaching its customers to
8 cover this increased cost. He was complimentary
9 of Jeff Hardin and Ken Paramore's efforts in
10 this regard. Messrs. Hardin and Paramore
11 requested and received approval to increase the
12 formulas one to two cents on 70 percent of
13 Cal-Maine's customers. They negotiated with
14 Walmart for a two cents per dozen increase, at
15 80,000 cases per week. They've also negotiated
16 an increase for most of the Company's other
17 major customers, including Food Lion, Fiesta,
18 Associated Grocers and Winn-Dixie. Mr. Baker
19 told the directors that Kroger agreed to a one
20 cent increase. Customers understand the
21 increased production cost in increasing space
22 per bird and are willing to pay the increase to
23 help appease the animal welfare people."

24 Do you see that?

25 A. Yes, sir.

1 Q. Now, these are minutes of a Cal-Maine
2 directors meeting on March 28, 2003.

3 A. Yes, sir.

4 MR. ALMON:

5 Object to form.

6 MR. ROBISON:

7 Q. The paragraphs that I just read
8 talking about the roll-out of the program and
9 talking to customers --

10 A. Uh-huh.

11 Q. -- is this generally the time frame
12 when you and Mr. Paramore were starting those
13 conversations?

14 MR. ALMON:

15 Object to form.

16 MR. AHERN:

17 Object to form.

18 A. As I recall it, yes.

19 MR. ROBISON:

20 Q. And when you went to your customers
21 and talked to them about this program, I think
22 you said earlier today that you had -- you would
23 take written materials with you; is that right?

24 A. Yes. I mean, it was a presentation
25 of the FMI program that I would carry with me.